

**DRILL RIG VALUATION INSTRUCTIONS**

It is the responsibility of the taxpayer to certify to you the manufactured year of the rig, the manufacturer's depth rating and whether the rig is mechanical or electrical.

**COMPUTATION**

The replacement cost new (R.C.N.) is determined by the manufacturer's depth rating. Once the replacement cost new is determined, you would apply the "Trended % Good" to that figure to determine the market value. The percentage to be used will be determined by the year manufactured.

**EXAMPLE:** The taxpayer has a mechanical drill rig manufactured in 1994 with a manufacturer's depth rating of 8,500. Using the schedules the R.C.N. is \$998,750. The "% good" is 23%.

$$\begin{aligned} 998,750 \times 24\% &= 239,700 = \text{market value} \\ 239,700 \times 3\% &= 7,191 = \text{taxable value} \end{aligned}$$

**NOTE:** **IF YOU HAVE ANY QUESTIONS CONCERNING THE ASSESSMENT OF THIS TYPE OF PROPERTY, CONTACT A SPECIALIST IN HELENA.**

**DRILL RIG DEPRECIATION SCHEDULE**  
(BEVS - SCREEN 8)

This schedule is to be used from January 1, 2007 through December 31, 2007, (reference ARM 42.21.140).

The following schedules will be used to arrive at market value when assessing a drill rig.

<b><u>YEAR</u></b>	<b><u>TRENDED % GOOD</u></b>
2007	100%
2006	92%
2005	87%
2004	86%
2003	78%
2002	69%
2001	59%
2000	42%
1999	37%
1998	30%
1997	25%
AND OLDER	

**DEPTH CATEGORIES AND REPLACEMENT COST NEW**

<b><u>Manufactures Depth Rating</u></b>	<b><u>Electrical R.C.N.</u></b>	<b><u>Mechanical R.C.N.</u></b>
0 - 3,000		285,209
3,001 - 5,000		432,135
5,001 - 7,500	868,250	654,750
7,501 - 10,000	1,167,210	998,750
10,001 - 12,500	1,265,500	1,130,600
12,501 - 15,000	1,720,400	1,538,500
15,001 - 20,000	1,990,100	
20,001 & Over	2,036,047	

<b><u>Property Type</u></b>	<b><u>Class Code</u></b>	<b><u>Property Class</u></b>	<b><u>Taxable Percentage</u></b>
Drill Rigs	6520	8	3%